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December 29, 2000

David Waddell  
Executive Secretary  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243-0505

**In Re: Second Complaint of Discount Communications against BellSouth  
Telecommunications**

**Docket No. 00-01151**

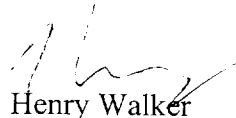
Dear David:

Please accept for filing the original and thirteen copies of the Second Complaint of Discount Communications against BellSouth Telecommunications, Inc. along with a check for \$25.00.

Sincerely,

BOULT, CUMMINGS, CONNERS & BERRY, PLC

By:

  
Henry Walker

HW/nl  
Attachment  
c: Guy Hicks

**POSTED**  
01-02-01

BEFORE THE TENNESSEE REGULATORY AUTHORITY  
Nashville, Tennessee

IN RE: SECOND COMPLAINT OF )  
DISCOUNT COMMUNICATIONS )  
AGAINST BELL SOUTH )  
TELECOMMUNICATIONS, INC. )

Docket No. 00-01151

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SECOND COMPLAINT OF DISCOUNT COMMUNICATIONS  
AGAINST BELL SOUTH TELECOMMUNICATIONS, INC.

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Discount Communications. ("Discount")<sup>1</sup> submits the following complaint against BellSouth Telecommunications, Inc. ("BellSouth") pursuant to T.C.A. § 65-4-119 and TRA Rule 1220-1-2-.09. As provided in Section 119, Discount requests that the Authority assign a TRA employee to "investigate" and "effect a satisfactory adjustment" of the billing disputes described herein, subject to review by the Directors if requested by any party. Since these billing disputes involve primarily questions of fact and do not appear to raise any novel legal or regulatory issues,

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<sup>1</sup> Effective January 1, 1999, Discount Communications, a sole proprietorship under the control of Mr. Ed. Hayes, merged into AirTime Management, Inc. The corporation then changed its name to ATM/Discount Communications, Inc. Mr. Hayes is president of that corporation. Following discussions with BellSouth and the TRA staff, Mr. Hayes filed a petition with the Authority requesting that the name of Discount Communications be changed to ATM/Discount Communications. The TRA approved the petition in an order issued February 29, 2000. To avoid further confusion and to be consistent with the record in Discount's earlier complaint, docket 00-00230, this filing will refer to the complainant as Discount Communications.

Discount submits that the complaint resolution process set forth in Section 119 will be the most expeditious and efficient means of resolving these claims.<sup>2</sup>

Discount Communications is a certified reseller of local telephone service in Memphis and Nashville. The company's office is located at 3798 Park Avenue, Memphis, Tennessee 38111-6649. Discount purchases and resells local exchange telephone service from BellSouth. The main office of BellSouth in Tennessee is located at 333 Commerce Street, Nashville, Tennessee 37201-3300. Since Discount began operations, BellSouth has billed Discount monthly for services rendered pursuant to BellSouth's intrastate tariffs and the parties' interconnection agreement. Discount submits that those bills are inaccurate and inconsistent with BellSouth's tariffs and the TRA's rules. Specifically, Discount requests resolution of the following billing issues:

1. Undisputed Link-Up Credits

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<sup>2</sup> Most of the billing disputes raised herein are familiar to BellSouth and were outlined in a letter dated October 27, 2000 from counsel for Discount to counsel for BellSouth. A copy was also provided to the Authority's Consumer Services Division. Following the filing of the letter, the parties met twice with Hearing Officer Richard Collier in order to try to resolve the disputes described in the letter. Discount submits that the parties made substantial progress during those informal discussions and that BellSouth acknowledged that some of the issues raised by Discount had merit. Nevertheless, BellSouth would not agree to continue providing service to Discount for the time necessary to complete those settlement discussions. To prevent BellSouth from cutting off service and, in effect, destroying the company, Discount filed a petition for bankruptcy pursuant to Chapter 11 in the United States Bankruptcy Court in the Western District of Tennessee. Pursuant to an Order of the Bankruptcy Court (copy attached), Discount has deposited \$50,000 with BellSouth and is currently paying \$2,500 per day into a BellSouth account as "adequate assurance of payment of post-petition services provided by BellSouth." Furthermore, the Bankruptcy Court directed Discount to file by the end of the year "a formal complaint with the TRA asserting any and all unresolved billing disputes" which are "subject to the jurisdiction of the TRA." Both parties were directed "to use their best efforts to obtain expedited relief from the TRA." This complaint is filed in response to the Court's instructions.

Every time Discount signs up a new customer under the Link-Up program, BellSouth is supposed to pass on to Discount \$20.75 in federal credits. BellSouth, however, has consistently failed to do that. Through the end of February, 2000, Discount was entitled to Link-Up credits for 1,178 connections. At the hearing on April 12, 2000, BellSouth announced it would give Discount a credit of \$24,443.50 for those 1,178 connections. The billing problem, however, has continued and Discount is owed a substantial amount in Link-Up credits.

2. Failure to Give Credit for Multiple Payments

Discount sent three, separate payments to BellSouth for \$13,300 each. All three of the checks were cashed by BellSouth (one was a wire transfer). BellSouth only credited Discount for one payment. BellSouth has been given copies of the cancelled checks. Discount requests credit for the other two checks.

3. Overcharges for use of the LENS system

Between June and December, 1999, BellSouth charged Discount \$3.50 every time Discount used the LENS system. There is nothing in the parties' interconnection agreement that permits BellSouth to impose such charges. If BellSouth cannot demonstrate the basis of these charges, BellSouth should be directed to review Discount's bills and remove each such charge from every bill.

4. Promotional Charges

BellSouth has not passed on to Discount a "promotional" offer to waive installation charges for customers who order custom calling features. Discount believes that the promotional offer has been in effect throughout the time that Discount has been in business. BellSouth should be directed to review Discount's bills and remove any such installation charges from every bill.

5. Charges for service that should have been disconnected

In March, 2000, BellSouth denied Discount access to the LENS system which made it impossible for Discount to suspend service to customers who had not paid their March bill. As a result, Discount could not effectively collect bills from its customers. When access to LENS was finally restored, Discount had approximately 500 customers who had been receiving "free" service for more than a month. BellSouth has no right under the parties' resale agreement to deny access to the LENS system. Because BellSouth illegally refused to suspend service to Discount's customers, Discount should not have been charged by BellSouth for service to those customers during that time period.

6. Complete Choice

Under BellSouth's "Complete Choice" tariff, the customer is entitled to receive all custom calling services (*i.e.*, Caller ID, Call Waiting, Call Forwarding, etc.) for a single monthly rate which is substantially less than the combined rate for each feature if ordered individually. Discount has discovered numerous examples in which Discount has ordered the Complete Choice plan and has been billed not only for the Complete Choice option but also for each individual custom calling feature. BellSouth should be required to review each Discount bill and remove any duplicative charges for custom calling features.

7. Other Charges

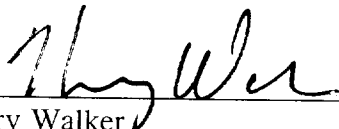
BellSouth has also improperly billed Discount for (1) services provided to end users who are not customers of Discount, (2) for features and services, such as call return and three-way calling, used by Discount's customers despite instructions by Discount that BellSouth block those services and features, (3) for unauthorized charges from other telephone companies, and (4) duplicative charges for the same BellSouth services.

The complaints listed above were selected because they are either recurring problems or because the amounts involved are of sufficient size to justify intervention by the Authority. Discount will, of course, continue to notify BellSouth of other billing problems as they arise.

Discount therefore asks that this complaint be referred to a TRA staff person for investigation and resolution pursuant to T.C.A. 64-4-119. Should either Discount or BellSouth disagree with the staff person's proposed resolution of these issues, either party may request review by the Authority as provided in Section 119.

Respectfully submitted,

BOULT, CUMMINGS, CONNERS & BERRY, PLC

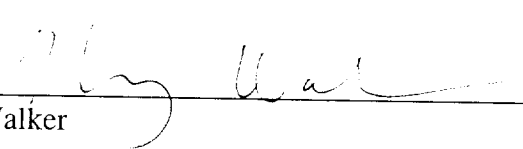
By:   
Henry Walker  
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## CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been forwarded via U. S. First Class Mail, facsimile, and/or hand delivery, to the following on this the 29th day of December, 2000.

Patrick Turner, Esq.  
BellSouth Telecommunications, Inc.  
333 Commerce St. ,  
Nashville, TN 37201-3300

Vance Broemel, Esq.  
Consumer Advocate Division  
Tennessee Attorney General's Office  
425 5<sup>th</sup> Avenue North, Cordell Hull Bldg.  
Nashville, TN 37243-0500

  
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Henry Walker